



3015 (02-02-05)

ANNUAL REPORT

OF

Name: LAND O LAKES SANITARY DISTRICT NO. 1

Principal Office: 4331 HWY. B
P.O. BOX 246
LAND O' LAKES, WI 54540

For the Year Ended: DECEMBER 31, 2004

WATER, ELECTRIC, OR JOINT UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
(608) 266-3766

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

SIGNATURE PAGE

I PHYLLIS GOTTMANN of
(Person responsible for accounts)

_____, Land O' Lakes Sanitary District No. 1, certify that I
(Utility Name)

am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

	03/30/2004
(Signature of person responsible for accounts)	(Date)

SECRETARY _____
(Title)

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: LAND O' LAKES SANITARY DISTRICT NO. 1

Utility Address: 4331 HWY. B
P.O. BOX 246
LAND O' LAKES, WI 54540

When was utility organized? 4/3/1968

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: MRS. PHYLLIS GOTTMANN

Title: SECRETARY

Office Address:

4331 HWY. B
P.O. BOX 246
LAND O' LAKES, WI 54540

Telephone: (715) 547 - 3429

Fax Number: (715) 547 - 3429

E-mail Address:

Individual or firm, if other than utility employee, preparing this report:

Name: RANDALL H. BEARD

Title: CPA

Office Address: WIPFLI, LLP

43 A W. DAVENPORT
RHINELANDER, WI 54501

Telephone: (715) 369 - 1040

Fax Number: (715) 369 - 5407

E-mail Address: rbeard@wipfli.com

President, chairman, or head of utility commission/board or committee:

Name: ALFRED VORASS

Title: CHAIRMAN

Office Address:

P.O. BOX 456
LAND O'LAKES, WI 54540

Telephone: (715) 547 - 3598

Fax Number: (715) 547 - 3429

E-mail Address:

Are records of utility audited by individuals or firms, other than utility employee? YES

IDENTIFICATION AND OWNERSHIP

Individual or firm, if other than utility employee, auditing utility records:

Name: RANDALL H. BEARD**Title:** CPA**Office Address:** WIPFLI, LLP
43 A W. DAVENPORT
RHINELANDER, WI 54501**Telephone:** (715) 369 - 1040**Fax Number:** (715) 547 - 3429**E-mail Address:** rbeard@wipfli.com**Date of most recent audit report:** 3/28/2005**Period covered by most recent audit:** 1/1/2004-12/31/2004

Names and titles of utility management including manager or superintendent:

Name: MR THOMAS RIPP**Title:** OPERATOR**Office Address:**
6388 CHIPPEWA DRIVE
P.O. BOX 246
LAND O' LAKES, WI 54540**Telephone:** (715) 547 - 3775**Fax Number:****E-mail Address:**

Name of utility commission/committee: Land O' Lakes Sanitary Board

Names of members of utility commission/committee:MR ANDREW DORN, TREASURER
MRS PHYLLIS GOTTMANN, SECRETARY
MR THOMAS RIPP, OPERATOR
MR ALFRED VORASS, CHAIRMAN

Is sewer service rendered by the utility? YES**If "yes," has the municipality, by ordinance, combined the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.0819 of the Wisconsin Statutes?** NO**Date of Ordinance:****Are any of the utility administrative or operational functions under contract or agreement with an outside provider for the year covered by this annual report and/or current year (i.e., operation of water or sewer treatment plant)?** NO

Provide the following information regarding the provider(s) of contract services:

IDENTIFICATION AND OWNERSHIP

Firm Name:

Contact Person:

Title:

Telephone: () -

Fax Number: () -

E-mail Address:

Contract/Agreement beginning-ending dates:

Provide a brief description of the nature of Contract Operations being provided:

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	90,190	70,946	1
Operating Expenses:			
Operation and Maintenance Expense (401)	59,144	61,290	2
Depreciation Expense (403)	9,778	6,743	3
Amortization Expense (404)	12,402	0	4
Taxes (408)	2,094	2,149	5
Total Operating Expenses	83,418	70,182	
Net Operating Income	6,772	764	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	6,772	764	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Nonoperating Rental Income (418)	0	0	8
Interest and Dividend Income (419)	190	92	9
Miscellaneous Nonoperating Income (421)	480,027	250,180	10
Total Other Income	480,217	250,272	
Total Income	486,989	251,036	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	(5,917)	0	11
Other Income Deductions (426)	9,346	1,913	12
Total Miscellaneous Income Deductions	3,429	1,913	
Income Before Interest Charges	483,560	249,123	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	68,789	33,314	13
Amortization of Debt Discount and Expense (428)	0	0	14
Amortization of Premium on Debt--Cr. (429)	0	0	15
Interest on Debt to Municipality (430)	0	0	16
Other Interest Expense (431)	0	0	17
Interest Charged to Construction--Cr. (432)	0	0	18
Total Interest Charges	68,789	33,314	
Net Income	414,771	215,809	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	1,757,573	(63,746)	19
Balance Transferred from Income (433)	414,771	215,809	20
Miscellaneous Credits to Surplus (434)	53,325	1,605,510	21
Miscellaneous Debits to Surplus--Debit (435)	147,051	0	22
Appropriations of Surplus--Debit (436)	0	0	23
Appropriations of Income to Municipal Funds--Debit (439)	0	0	24
Total Unappropriated Earned Surplus End of Year (216)	2,078,618	1,757,573	

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)	
UTILITY OPERATING INCOME				
Operating Revenues (400):				
Derived	90,190		90,190	1
Total (Acct. 400):	90,190	0	90,190	
Operation and Maintenance Expense (401):				
Derived	59,144		59,144	2
Total (Acct. 401):	59,144	0	59,144	
Depreciation Expense (403):				
Derived	9,778		9,778	3
Total (Acct. 403):	9,778	0	9,778	
Amortization Expense (404):				
Derived	12,402		12,402	4
Total (Acct. 404):	12,402	0	12,402	
Taxes (408):				
Derived	2,094		2,094	5
Total (Acct. 408):	2,094	0	2,094	
Revenues from Utility Plant Leased to Others (412):				
NONE	0		0	6
Total (Acct. 412):	0	0	0	
Expenses of Utility Plant Leased to Others (413):				
NONE	0		0	7
Total (Acct. 413):	0	0	0	
TOTAL UTILITY OPERATING INCOME:	6,772	0	6,772	
OTHER INCOME				
Income from Merchandising, Jobbing and Contract Work (415-416):				
Derived	0		0	8
Total (Acct. 415-416):	0	0	0	
Nonoperating Rental Income (418):				
NONE	0		0	9
Total (Acct. 418):	0	0	0	
Interest and Dividend Income (419):				
INTEREST & DIVIDEND INCOME	190	0	190	10
Total (Acct. 419):	190	0	190	
Miscellaneous Nonoperating Income (421):				
Contributed Plant - Water			0	11

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
OTHER INCOME			
Miscellaneous Nonoperating Income (421):			
2004 CONTRIBUTIONS IN AID OF CONSTRUCTION	0	475,740	475,740 12
GRANT INCOME FOR TOWER DEMOLITION	16,000	0	16,000 13
SEWER OPERATIONS	16,037	(27,750)	(11,713) 14
Total (Acct. 421):	32,037	447,990	480,027
TOTAL OTHER INCOME:	32,227	447,990	480,217

MISCELLANEOUS INCOME DEDUCTIONS

Miscellaneous Amortization (425):			
Regulatory Liability (253) Amortization	(5,917)		(5,917) 15
NONE	0	0	0 16
Total (Acct. 425):	(5,917)	0	(5,917)
Other Income Deductions (426):			
Depreciation Expense on Contributed Plant - Water		9,346	9,346 17
NONE	0	0	0 18
Total (Acct. 426):	0	9,346	9,346
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	(5,917)	9,346	3,429

INTEREST CHARGES

Interest on Long-Term Debt (427):			
Derived	68,789		68,789 19
Total (Acct. 427):	68,789	0	68,789
Amortization of Debt Discount and Expense (428):			
NONE	0		0 20
Total (Acct. 428):	0	0	0
Amortization of Premium on Debt--Cr. (429):			
NONE	0		0 21
Total (Acct. 429):	0	0	0
Interest on Debt to Municipality (430):			
Derived	0		0 22
Total (Acct. 430):	0	0	0
Other Interest Expense (431):			
Derived	0		0 23
Total (Acct. 431):	0	0	0

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
INTEREST CHARGES			
Interest Charged to Construction--Cr. (432):			
NONE	0		0 24
Total (Acct. 432):	0	0	0
TOTAL INTEREST CHARGES:	68,789	0	68,789
NET INCOME:	(23,873)	438,644	414,771
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216):			
Derived	(91,580)	1,849,153	1,757,573 25
Total (Acct. 216):	(91,580)	1,849,153	1,757,573
Balance Transferred from Income (433):			
Derived	(23,873)	438,644	414,771 26
Total (Acct. 433):	(23,873)	438,644	414,771
Miscellaneous Credits to Surplus (434):			
ADJUSTMENTS FOR PRIOR YEAR	30,626	0	30,626 27
2002 AUDIT ADJUSTMENTS	22,699	0	22,699 28
Total (Acct. 434):	53,325	0	53,325
Miscellaneous Debits to Surplus--Debit (435):			
RECLASSIFICATION OF CIAC A/D PER PSC ORDER	0	118,332	118,332 29
PRIOR YEAR ADJUSTMENT	0	28,719	28,719 30
Total (Acct. 435)--Debit:	0	147,051	147,051
Appropriations of Surplus--Debit (436):			
Detail appropriations to (from) account 215	0		0 31
Total (Acct. 436)--Debit:	0	0	0
Appropriations of Income to Municipal Funds--Debit (439):			
NONE	0	0	0 32
Total (Acct. 439)--Debit:	0	0	0
UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):	(62,128)	2,140,746	2,078,618

INCOME FROM MERCHANDISING, JOBBING & CONTRACT WORK (ACCTS. 415-416)

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)					0	1
Costs and Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

1. Report data necessary to calculate revenue subject to Wisconsin remainder assessment pursuant to Wis. Stat. § 196.85(2) and Wis. Admin. Code Ch. PSC 5.
2. If the sewer department is not regulated by the PSC, do not report sewer department data in column (d).

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	90,190	0	0	0	90,190	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents					0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					0	5
Other Increases or (Decreases) to Operating Revenues - Specify:						
.					0	6
Revenues subject to Wisconsin Remainder Assessment	90,190	0	0	0	90,190	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	1,970,831	1,585,346	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	87,392	125,519	2
Net Utility Plant	1,883,439	1,459,827	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	2,133,570	2,133,570	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	186,227	146,372	4
Net Nonutility Property	1,947,343	1,987,198	
Investment in Municipality (123)	0	0	5
Other Investments (124)	0	0	6
Special Funds (125)	16,472	12,176	7
Total Other Property and Investments	1,963,815	1,999,374	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	54,753	13,630	8
Temporary Cash Investments (132)			9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	19,323	7,605	11
Other Accounts Receivable (143)	0	12,249	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	787	0	14
Materials and Supplies (150)	3,695	2,279	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	78,558	35,763	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	0	0	18
Extraordinary Property Losses (182)	49,610	0	19
Other Deferred Debits (183)	0	0	20
Total Deferred Debits	49,610	0	
Total Assets and Other Debits	3,975,422	3,494,964	

BALANCE SHEET

Liabilities and Other Credits (a)	Balance End of Year (b)	Balance First of Year (c)	
PROPRIETARY CAPITAL			
Capital Paid in by Municipality (200)	1,000	1,000	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	2,078,618	1,757,573	23
Total Proprietary Capital	2,079,618	1,758,573	
LONG-TERM DEBT			
Bonds (221)	1,653,731	675,788	24
Advances from Municipality (223)	0	0	25
Other long-Term Debt (224)	42,352	50,226	26
Total Long-Term Debt	1,696,083	726,014	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	991,000	27
Accounts Payable (232)	60,592	4,745	28
Payables to Municipality (233)	0	0	29
Customer Deposits (235)			30
Taxes Accrued (236)	4,428	4,835	31
Interest Accrued (237)	22,286	7,626	32
Other Current and Accrued Liabilities (238)	0	2,171	33
Total Current and Accrued Liabilities	87,306	1,010,377	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	112,415	0	36
Total Deferred Credits	112,415	0	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)			37
Total Operating Reserves	0	0	
Total Liabilities and Other Credits	3,975,422	3,494,964	

NET UTILITY PLANT

Report utility plant accounts and related accumulated provisions for depreciation and amortization after allocation of common plant accounts and related provisions for depreciation and amortization to utility departments as of December 31.

Particulars (a)	Water (b)	Sewer (c)	Gas (d)	Electric (e)	
First of Year:					
Total Utility Plant - First of Year	1,585,346	0	0	0	1
<i>(Should agree with Util. Plant Jan. 1 in Property Tax Equivalent Schedule)</i>					
Plant Accounts:					
Utility Plant in Service - Financed by Utility Operations or by the Municipality (100.1)	1,094,498	0	0	0	2
Utility Plant in Service - Contributed Plant (100.2)	754,943	0	0	0	3
Utility Plant Purchased or Sold (391)					4
Utility Plant in Process of Reclassification (392)					5
Utility Plant Leased to Others (393)					6
Property Held for Future Use (394)					7
Construction Work in Progress (395)	121,390				8
Utility Plant Acquisition Adjustments (396)					9
Other Utility Plant Adjustments (397)					10
Total Utility Plant	1,970,831	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service - Financed by Utility Operations or by the Municipality (110.1)	46,371	0	0	0	11
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	41,021	0	0	0	12
Total Accumulated Provision	87,392	0	0	0	
Net Utility Plant	1,883,439	0	0	0	

**ACCUMULATED PROVISION FOR DEPRECIATION AND
AMORTIZATION OF UTILITY PLANT ON UTILITY PLANT
FINANCED BY UTILITY OPERATIONS OR BY THE MUNICIPALITY
(ACCT. 110.1)**

Depreciation Accruals (Credits) during the year (110.1):

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.1)	49,957				49,957	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	9,778				9,778	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	510				510	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
Prior year adjustment (Reg. Liab.)	73,649				73,649	12
Extraordinary loss per PSC - 5/5/04	33,216				33,216	13
Prior year adjustment	18,040				18,040	14
					0	15
Total credits	135,193	0	0	0	135,193	16
Debits during year						17
Book cost of plant retired	65,130				65,130	18
Cost of removal					0	19
Other debits (specify):						20
Est Reg Liab(253): Docket 05-US-105	73,649				73,649	21
					0	22
					0	23
					0	24
Total debits	138,779	0	0	0	138,779	25
Balance end of year (110.1)	46,371	0	0	0	46,371	26
Composite Depreciation Rate?	No					27
If yes, what is the rate?						28

ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT ON CONTRIBUTED PLANT IN SERVICE (ACCT. 110.2)

Depreciation Accruals (Credits) during the year (110.1):

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.1)	75,562				75,562	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (426)	9,346				9,346	4
Depreciation expense on meters						5
charged to sewer (see Note 3)					0	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
Extraordinary loss per PSC - 5/5/04	28,796				28,796	12
					0	13
					0	14
					0	15
Total credits	38,142	0	0	0	38,142	16
Debits during year						17
Book cost of plant retired	70,912				70,912	18
Cost of removal					0	19
Other debits (specify):						20
Prior year adjustment	1,771				1,771	21
					0	22
					0	23
					0	24
Total debits	72,683	0	0	0	72,683	25
Balance end of year (110.1)	41,021	0	0	0	41,021	26
Composite Depreciation Rate?	No					27
If yes, what is the rate?						28

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

1. Report separately each item of property with a book cost of \$5,000 or more included in account 121.
2. Other items may be grouped by classes of property.
3. Describe in detail any investment in sewer department carried in this account.

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant	2,133,570			2,133,570	1
Other (specify):					
NONE	0			0	2
Total Nonutility Property (121)	2,133,570	0	0	2,133,570	
Less accum. prov. depr. & amort. (122)	146,372	39,855		186,227	3
Net Nonutility Property	1,987,198	(39,855)	0	1,947,343	

ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS-CR. (ACCT. 144)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Additions:		
Provision for uncollectibles during year		2
Collection of accounts previously written off: Utility Customers		3
Collection of accounts previously written off: Others		4
Total Additions	<u>0</u>	
Deductions:		
Accounts written off during the year: Utility Customers		5
Accounts written off during the year: Others		6
Total accounts written off	<u>0</u>	
Balance end of year	<u><u>0</u></u>	

MATERIALS AND SUPPLIES

Account (a)	Generation (b)	Transmission (c)	Distribution (d)	Other (e)	Total End of Year (f)	Amount Prior Year (g)	
Electric Utility							
Fuel for generation					0	0	1
Other					0	0	2
Total Electric Utility					0	0	

Account	Total End of Year	Amount Prior Year	
Electric utility total	0	0	1
Water utility	3,416	1,429	2
Sewer utility	279	850	3
Gas utility		0	4
Merchandise		0	5
Other materials & supplies		0	6
Total Materials and Supplies	3,695	2,279	

UNAMORTIZED DEBT DISCOUNT & EXPENSE & PREMIUM ON DEBT (ACCTS. 181 AND 251)

Report net discount and expense or premium separately for each security issue.

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
Unamortized debt discount & expense (181)				
NONE				1
Total			0	
Unamortized premium on debt (251)				
NONE				2
Total			0	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D, sewer and privates) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Amount (b)	
Balance first of year	1,000	1
Changes during year (explain):		2
Balance end of year	1,000	

BONDS (ACCT. 221)

1. Report hereunder information required for each separate issue of bonds.
2. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.
3. Proceeds advanced by the municipality from sale of general obligation bonds, if repayable by utility, should be included in account 223.

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)	
RURAL DEVELOPMENT- WWTF	10/11/2001	10/01/2041	4.50%	668,055	1
RURAL DEVELOPMENT - WATER SYSTEM	03/09/2004	03/01/2044	4.50%	985,676	2
Total Bonds (Account 221):				1,653,731	

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

1. Report each class of debt included in Accounts 223, 224 and 231.
2. Proceeds of general obligation issues, if subject to repayment by the utility, should be included in Account 223.
3. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)	
Other Long-Term Debt (224)					
HEADWATER STATE BANK	04/01/1999	04/01/2009	5.00%	42,352	1
Total for Account 224				42,352	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	4,835	1
Accruals:		
Charged water department expense	2,436	2
Charged electric department expense		3
Charged sewer department expense	1,993	4
Other (explain):		
NONE		5
Total Accruals and other credits	4,429	
Taxes paid during year:		
County, state and local taxes	2,850	6
Social Security taxes	1,933	7
PSC Remainder Assessment	53	8
Other (explain):		
NONE		9
Total payments and other debits	4,836	
Balance end of year	4,428	

INTEREST ACCRUED (ACCT. 237)

1. Report below interest accrued on each utility obligation.
2. Report Customer Deposits under Account 231.

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
RURAL DEVELOPMENT - SEWER	7,626	30,220	30,351	7,495	1
RURAL DEVELOPMENT - WATER		36,208	21,504	14,704	2
Subtotal	7,626	66,428	51,855	22,199	
Advances from Municipality (223)					
NONE	0			0	3
Subtotal	0	0	0	0	
Other long-Term Debt (224)					
HEADWATER STATE BANK	0	2,361	2,274	87	4
Subtotal	0	2,361	2,274	87	
Notes Payable (231)					
NONE	0			0	5
Subtotal	0	0	0	0	
Total	7,626	68,789	54,129	22,286	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
NONE		1
Total (Acct. 123):	0	
Other Investments (124):		
NONE		2
Total (Acct. 124):	0	
Special Funds (125):		
DEBT RESERVE	16,472	3
Total (Acct. 125):	16,472	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	19,323	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
NONE		8
Total (Acct. 142):	19,323	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		9
Merchandising, jobbing and contract work		10
Other (specify):		
NONE		11
Total (Acct. 143):	0	
Receivables from Municipality (145):		
RECEIVABLES FROM TOWN OF LAND O'LAKES	787	12
Total (Acct. 145):	787	
Prepayments (165):		
NONE		13
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
ONE-TIME LOSS ON WATER SYSTEM (NOT FULLY DEPRECIATED)	49,610	14
Total (Acct. 182):	49,610	
Other Deferred Debits (183):		
NONE		15
Total (Acct. 183):	0	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Payables to Municipality (233):		
NONE		16
Total (Acct. 233):	0	
Other Deferred Credits (253):		
Regulatory Liability	112,415	17
NONE		18
Total (Acct. 253):	112,415	

RETURN ON RATE BASE COMPUTATION

1. The data used in calculating rate base are averages.
2. Calculate those averages by summing the first-of-year and the end-of-year figures for each account and then dividing the sum by two.
3. Note: Do not include contributed plant in service, property held for future use, or construction work in progress with utility plant in service. These are not rate base components.

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Add Average:						
Utility Plant in Service (100.1)	618,983	0	0	0	618,983	1
Materials and Supplies	2,422	0	0	0	2,422	2
Other (specify):					0	3
Less Average:						
Reserve for Depreciation (110.1)	22,536	0	0	0	22,536	4
Customer Advances for Construction					0	5
Regulatory Liability	25,474	0	30,733	0	56,207	6
					0	7
Average Net Rate Base	573,395	0	(30,733)	0	542,662	
Net Operating Income	6,772	0	0	0	6,772	8
Net Operating Income as a percent of						
Average Net Rate Base	1.18%	N/A	N/A	N/A	1.25%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

NONE

FULL-TIME EMPLOYEES (FTE)

Use FTE numbers where FTE stands for full-time employees or full-time equivalency. FTE can be computed by using total hours worked/2080 hours for a fiscal year. Estimate to the nearest tenth. If an employee works part time for more than one industry then determine FTE based on estimate of hours worked per industry.

Example: An employee worked 35% of their time on electric jobs, 30% on water jobs, 20% on sewer jobs and 15% on municipal nonutility jobs. The FTE by industry would be .4 for electric, .3 for water and .2 for sewer.

Industry (a)	FTE (b)	
Water	0.8	1
Electric		2
Gas		3
Sewer	0.7	4

**REGULATORY LIABILITY - PRE-2003 HISTORICAL
ACCUMULATED DEPRECIATION ON CONTRIBUTED UTILITY
PLANT (253)**

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Balance First of Year					0	1
Add credits during year:						
Establish Regulatory Liability 1/1/04	73,649	0	0	0	73,649	2
Other (specify):						
PRIOR YEAR ADJUSTMENT PER PSC			64,702		64,702	3
Deduct charges:						
Miscellaneous Amortization (425)	2,682		3,235		5,917	4
Other (specify):						
PRIOR YEAR ADJUSTMENT PER PSC	20,019				20,019	5
Balance End of Year	50,948	0	61,467	0	112,415	

FINANCIAL SECTION FOOTNOTES

Accumulated Provision for Depreciation and Amortization of Utility Plant on Utility Plant Financed by Ut

If End of Year Balance is less than zero, please explain.

Due to water plant retirements taken in 2004, the full acquisition costs debited to the Accumulated Depreciation account caused Accumulated Depreciation to be reported as a negative amount.

Balance Sheet End-of-Year Account Balances (Page F-18)

Extraordinary Property Losses (Acct 182): amortization requires PSC authorization. Provide date of authorization.

A one-time extraordinary property loss (acct 182) was discussed with the PSC on 5/2/04 (per PSC letter dated 5/5/04). The loss occurred as a result of a water system project which retired assets not fully depreciated.

Regulatory Liability - Pre-2003 Historical Accumulated Depreciation on Contributed Utility Plant (253) (P

If Amortization is not comparable to a 20-year period, please explain.

Miscellaneous Amortization (425) is equal to amortization of \$53,630 over a 20 year period, equaling \$2,682 in 2004.

Identification and Ownership - Contacts (Page iv)

If the utility clerk (or other utility/municipal person responsible for municipal utility recordkeeping) is new (or will be new in the next year), please indicate here.

Mary Rose (Terry) Ainsley is in charge of municipal utility recordkeeping beginning with the 2005 calendar year.

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues			
Sales of Water			
Sales of Water (460-467)	87,257	67,678	1
Total Sales of Water	87,257	67,678	
Other Operating Revenues			
Forfeited Discounts (470)	0	0	2
Other Water Revenues (474)	2,933	3,268	3
Total Other Operating Revenues	2,933	3,268	
Total Operating Revenues	90,190	70,946	
Operation and Maintenance Expenses			
Plant Operation and Maintenance Expenses (600-660)	42,587	41,303	4
General Operating Expenses (680-690)	16,557	19,987	5
Total Operation and Maintenance Expenses	59,144	61,290	
Other Operating Expenses			
Depreciation Expense (403)	9,778	6,743	6
Amortization Expense (404)	12,402	0	7
Taxes (408)	2,094	2,149	8
Total Other Operating Expenses	24,274	8,892	
Total Operating Expenses	83,418	70,182	
NET OPERATING INCOME	6,772	764	

WATER OPERATING REVENUES - SALES OF WATER

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for unmetered sales.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. Account 460, Unmetered Sales to General Customers - Gallons of Water Sold should not include in any way quantity of water, i.e. metered, or measured by tank or pool volume. The quantity should be estimated based on size of pipe, flow, foot of frontage, etc. Bulk water sales should be Account 460 if the quantity is estimated and should be Account 461 if metered or measured by volume. Water related to construction should be a measured sale of water (either Account 461 or Account 464).
5. Other accounts: see application Help files for details.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
Operating Revenues				
Sales of Water				
Unmetered Sales to General Customers (460)				
Residential				1
Commercial				2
Industrial				3
Total Unmetered Sales to General Customers (460)	0	0	0	
Metered Sales to General Customers (461)				
Residential	109	3,438	18,254	4
Commercial	66	7,648	24,098	5
Industrial				6
Total Metered Sales to General Customers (461)	175	11,086	42,352	
Private Fire Protection Service (462)				7
Public Fire Protection Service (463)	1		42,159	8
Other Sales to Public Authorities (464)	10	512	2,746	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	186	11,598	87,257	

SALES FOR RESALE (ACCT. 466)

Use a separate line for each delivery point.

Customer Name (a)	Point of Delivery (b)	Thousands of Gallons Sold (c)	Revenues (d)	
NONE	NONE			1
Total		0	0	

OTHER OPERATING REVENUES (WATER)

1. Report revenues relating to each account and fully describe each item using other than the account title.
2. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D and privates) and all other lesser amounts grouped as Miscellaneous.
3. For a combined utility which also provides sewer service that is based upon water readings, report the return on net investment in meters charged to sewer department in Other Water Revenues (474).

Particulars (a)	Amount (b)	
Public Fire Protection Service (463):		
Amount billed (usually per rate schedule F-1 or Fd-1)	42,159	1
Wholesale fire protection billed		2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)		3
Other (specify):		
NONE		4
Total Public Fire Protection Service (463)	42,159	
Forfeited Discounts (470):		
Customer late payment charges		5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	0	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	880	7
Other (specify):		
ANTENNA RENTAL - \$1855, MISCELLANEOUS - \$198	2,053	8
Total Other Water Revenues (474)	2,933	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 30 percent, but not less than \$2,000, shall be fully explained in the schedule footnotes.

Particulars (a)	This Year (b)	Last Year (c)	
PLANT OPERATION AND MAINTENANCE EXPENSES			
Salaries and Wages (600)	26,213	28,126	1
Purchased Water (610)		0	2
Fuel or Power Purchased for Pumping (620)	4,083	3,757	3
Chemicals (630)	1,185	0	4
Supplies and Expenses (640)	8,312	5,088	5
Repairs of Water Plant (650)	1,701	3,324	6
Transportation Expenses (660)	1,093	1,008	7
Total Plant Operation and Maintenance Expenses	42,587	41,303	
GENERAL OPERATING EXPENSES			
Administrative and General Salaries (680)		0	8
Office Supplies and Expenses (681)	824	2,031	9
Outside Services Employed (682)	7,938	8,785	10
Insurance Expense (684)	3,755	3,967	11
Employees Pensions and Benefits (686)	3,990	4,015	12
Regulatory Commission Expenses (688)		1,156	13
Miscellaneous General Expenses (689)	50	33	14
Uncollectible Accounts (690)		0	15
Total General Operating Expenses	16,557	19,987	
Total Operation and Maintenance Expenses	59,144	61,290	

TAXES (ACCT. 408 - WATER)

When allocation of taxes is made between departments, explain method used.
--

Description of Tax (a)	Method Used to Allocate Between Departments (b)	This Year (c)	Last Year (d)	
Property Tax Equivalent			0	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department			0	2
Net property tax equivalent		0	0	
Social Security	PERCENTAGE OF HOURS WORKED IN DEPARTMENTS	2,041	2,098	3
PSC Remainder Assessment		53	51	4
Other (specify): NONE			0	5
Total tax expense		2,094	2,149	

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Utility or Municipality--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	0		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	7,601		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	7,601	0	
PUMPING PLANT			
Land and Land Rights (320)	500		12
Structures and Improvements (321)	9,144		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	4,748		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	4,532		20
Total Pumping Plant	18,924	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	1,308		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	0		23
Total Water Treatment Plant	1,308	0	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Utility or Municipality--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
INTANGIBLE PLANT				
Organization (301)			0	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	0	0	0	
SOURCE OF SUPPLY PLANT				
Land and Land Rights (310)			0	4
Structures and Improvements (311)			0	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)			7,601	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			0	10
Other Water Source Plant (317)			0	11
Total Source of Supply Plant	0	0	7,601	
PUMPING PLANT				
Land and Land Rights (320)			500	12
Structures and Improvements (321)			9,144	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			4,748	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			4,532	20
Total Pumping Plant	0	0	18,924	
WATER TREATMENT PLANT				
Land and Land Rights (330)			1,308	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			0	23
Total Water Treatment Plant	0	0	1,308	

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Utility or Municipality--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	0		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	22,761		26
Transmission and Distribution Mains (343)	45,543	726,083	27
Fire Mains (344)	0		28
Services (345)	21,957	163,419	29
Meters (346)	10,961	699	30
Hydrants (348)	10,801	125,132	31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	112,023	1,015,333	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	0		35
Computer Equipment (372.1)	968		36
Transportation Equipment (373)	0		37
Other General Equipment (379)	2,645		38
Other Tangible Property (390)	0		39
Total General Plant	3,613	0	
Total utility plant in service directly assignable	143,469	1,015,333	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	143,469	1,015,333	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Utility or Municipality--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			0 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)	22,761		0 26
Transmission and Distribution Mains (343)	24,716		746,910 27
Fire Mains (344)			0 28
Services (345)	6,852		178,524 29
Meters (346)		826	12,486 30
Hydrants (348)	10,801		125,132 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	65,130	826	1,063,052
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			0 35
Computer Equipment (372.1)			968 36
Transportation Equipment (373)			0 37
Other General Equipment (379)			2,645 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	3,613
Total utility plant in service directly assignable	65,130	826	1,094,498
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	65,130	826	1,094,498

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Contributions--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	0		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	6,409		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	6,409	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	7,710		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	4,002		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	3,820		20
Total Pumping Plant	15,532	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	0		23
Total Water Treatment Plant	0	0	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Contributions--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
INTANGIBLE PLANT				
Organization (301)			0	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	0	0	0	
SOURCE OF SUPPLY PLANT				
Land and Land Rights (310)			0	4
Structures and Improvements (311)			0	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)			6,409	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			0	10
Other Water Source Plant (317)			0	11
Total Source of Supply Plant	0	0	6,409	
PUMPING PLANT				
Land and Land Rights (320)			0	12
Structures and Improvements (321)			7,710	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			4,002	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			3,820	20
Total Pumping Plant	0	0	15,532	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			0	23
Total Water Treatment Plant	0	0	0	

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Contributions--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	0		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	19,190	411,484	26
Transmission and Distribution Mains (343)	38,397	163,269	27
Fire Mains (344)	0		28
Services (345)	76,512	36,747	29
Meters (346)	8,340		30
Hydrants (348)	19,607	28,138	31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	162,046	639,638	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	0		35
Computer Equipment (372.1)	0		36
Transportation Equipment (373)	0		37
Other General Equipment (379)	2,230		38
Other Tangible Property (390)	0		39
Total General Plant	2,230	0	
Total utility plant in service directly assignable	186,217	639,638	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	186,217	639,638	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Contributions--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			0 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)	35,190		395,484 26
Transmission and Distribution Mains (343)	20,838	58,000	238,828 27
Fire Mains (344)			0 28
Services (345)	5,777	(58,000)	49,482 29
Meters (346)			8,340 30
Hydrants (348)	9,107		38,638 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	70,912	0	730,772
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			0 35
Computer Equipment (372.1)			0 36
Transportation Equipment (373)			0 37
Other General Equipment (379)			2,230 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	2,230
Total utility plant in service directly assignable	70,912	0	754,943
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	70,912	0	754,943

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

Expanded definitions of the three types of accounted-for water reported on this schedule are included in the schedule Help and in the Reference Manual Schedule Reference Sheet.

Month (a)	Sources of Water Supply			Total Gallons All Methods (000's) (e)	
	Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)		
January			2,021	2,021	1
February			1,930	1,930	2
March			2,021	2,021	3
April			2,001	2,001	4
May			2,267	2,267	5
June			2,534	2,534	6
July			3,831	3,831	7
August			2,836	2,836	8
September			2,836	2,836	9
October			1,185	1,185	10
November			1,295	1,295	11
December			2,118	2,118	12
Total annual pumpage	0	0	26,875	26,875	
Less: Water sold				11,598	13
Volume pumped but not sold				15,277	14
Volume sold as a percent of volume pumped				43%	15
Volume used for water production, water quality and system maintenance				920	16
Volume related to equipment/system malfunction				0	17
Non-utility volume NOT included in water sales				0	18
Total volume not sold but accounted for				920	19
Volume pumped but unaccounted for				14,357	20
Percent of water lost				53%	21
If more than 25%, indicate causes:					22
High percentage of water loss is due to water leak in system that has not yet been repaired. In addition, a water system project in progress during 2004 contributed to water losses.					
If more than 25%, state what action has been taken to reduce water loss:					23
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)				140	24
Date of maximum: 7/3/2004					25
Cause of maximum:					26
Busiest day of the year for tourism.					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				25	27
Date of minimum: 11/1/2004					28
Total KWH used for pumping for the year				26,687	29
If water is purchased: Vendor Name:					30
Point of Delivery:					31

SOURCES OF WATER SUPPLY - GROUND WATERS

Location (a)	Identification Number (b)	Depth in feet (c)	Well Diameter in inches (d)	Yield Per Day in gallons (e)	Currently In Service? (f)	
200' E OF NE CRN PUMP HOUSE RI #1		91	12	50,000	Yes	1

SOURCES OF WATER SUPPLY - SURFACE WATERS

Location (a)	Intakes			
	Identification Number (b)	Distance From Shore in feet (c)	Depth Below Surface in feet (d)	Diameter in inches (e)
NONE				

1

PUMPING & POWER EQUIPMENT

1. Use a separate column for each pump.
2. Indicate purpose of pump by: P for primary (from source to reservoir, treatment or distribution system), B for booster (from reservoir or treatment to distribution system, or within distribution system), or S for standby pumping equipment.
3. Indicate destination (of water pumped) by: R for reservoir, T for treatment or D for distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	PUMP	WELL		1
Location	#1 WELL	WELLHOUSE		2
Purpose	P	S		3
Destination	D	D		4
Pump Manufacturer	BERKLEY PUMP	BERKLEY PUMP		5
Year Installed	1968	1968		6
Type	CENTRIFUGAL	CENTRIFUGAL		7
Actual Capacity (gpm)	350	350		8
Pump Motor or Standby Engine Mfr	US ELECTRIC	FORD		9
Year Installed	1968	1975		10
Type	ELECTRIC	PROPANE		11
Horsepower	25	0		12

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification				14
Location				15
Purpose				16
Destination				17
Pump Manufacturer				18
Year Installed				19
Type				20
Actual Capacity (gpm)				21
Pump Motor or Standby Engine Mfr				22
Year Installed				23
Type				24
Horsepower				25

RESERVOIRS, STANDPIPES & WATER TREATMENT

1. Identify as R (reservoir), S (standpipe) & ET (elevated tank).
2. Use a separate column for each using additional copies if necessary.
3. Enter elevation difference between highest water level in S or ET, (or R only on an elevated site) and the water main where the connection to the storage begins branching into the distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification number or name	#1		1
RESERVOIRS, STANDPIPES			2
OR ELEVATED TANKS			3
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET		4
Year constructed	2004		5
Primary material (earthen, steel, concrete, other)	STEEL		6
Elevation difference in feet (See Headnote 3.)	160		7
Total capacity in gallons (actual)	125,000		8
WATER TREATMENT PLANT			9
Disinfection, type of equipment (gas, liquid, powder, other)	LIQUID		10
Points of application (wellhouse, central facilities, booster station, other)	WELLHOUSE		11
Filters, type (gravity, pressure, other, none)	NONE		12
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	0.0000		13
Is a corrosion control chemical used (yes, no)?	Y		14
Is water fluoridated (yes, no)?	Y		15

WATER MAINS

1. Report mains separately by pipe material, function, diameter and either within or outside the municipal boundaries.
2. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement), or P (Plastic for plastic and all other non-metal excluding asbestos-cement).
3. Identify function as: T (Transmission), D (Distribution) or S (Supply).
4. Explain all reported adjustments as a schedule footnote.
5. For main additions reported in column (e), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If the assessments are deferred, explain.

			Number of Feet					
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
A	D	6.000	5,747	535	0	0	6,282	1
A	T	8.000	150	0	150	0	0	2
M	D	8.000	0	1,102	0	0	1,102	3
P	D	8.000	2,000	0	0	0	2,000	4
M	D	12.000	0	9,800	0	0	9,800	5
Total Within Municipality			7,897	11,437	150	0	19,184	
A	D	6.000	0	100			100	6
A	D	8.000	12,137	0	9,637	0	2,500	7
A	S	8.000	0	0	0	25	25	8
M	D	12.000	0	4,200	0	0	4,200	9
M	T	12.000	0	100	0	0	100	10
Total Outside of Municipality			12,137	4,400	9,637	25	6,925	
Total Utility			20,034	15,837	9,787	25	26,109	

WATER SERVICES

1. Explain all reported adjustments as a schedule footnote.
2. Report in column (h) the number of utility-owned services included in columns (c) through (g) which are temporarily shut off at the curb box or otherwise not in use at end of year.
3. For services added during the year in column (d), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If installed by a property owner or developer, explain the basis of recording the cost of the additions, the total amount and the number of services recorded under this method.
 - d. If any were financed by application of Cz-1, provide the total amount recorded and the number of services recorded under this method.
4. Report services separately by pipe material and diameter.
5. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement) or P (Plastic for plastic and all other non-metal excluding asbestos-cement).

Pipe Material (a)	Diameter in Inches (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	Utility Owned Services Not In Use at End of Year (h)	
M	0.750	122	2	35	23	112	16	1
M	1.000	11	33	6		38	6	2
P	1.000	1		1		0		3
M	1.500	3	1	1		3		4
M	2.000	3	2			5		5
M	3.000	1		1		0		6
M	6.000				2	2		7
Total Utility		141	38	44	25	160	22	

METERS

1. Include in Columns (b), (c), (d), (e) and (f) meters in stock as well as those in service.
2. Report in Column (c) all meters purchased during the year and in Column (d) all meters junked, sold or otherwise permanently retired during the year.
3. Use Column (e) to show correction to previously reported meter count because of inventory or property record corrections.
4. Totals by size in Column (f) should equal same size totals in Column (o).
5. Explain all reported adjustments as a schedule footnote.

Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.750	171	6		(21)	156	0	1
1.000	19			(5)	14	0	2
1.500	4			(1)	3	0	3
2.000	4				4	0	4
3.000	2	1	1		2	0	5
Total:	200	7	1	(27)	179	0	

Classification of All Meters at End of Year by Customers

Size of Meter (h)	Residential (i)	Commercial (j)	Industrial (k)	Public Authority (l)	Wholesale, Inter-Department or Utility Use (m)	In Stock and Deduct Meters (n)	Total (o)	
0.750	98	45	0	6	0	7	156	1
1.000	1	9	0	2	1	1	14	2
1.500	0	3	0	0	0	0	3	3
2.000	0	2	0	1	0	1	4	4
3.000	0	1	0	1	0	0	2	5
Total:	99	60	0	10	1	9	179	

HYDRANTS AND DISTRIBUTION SYSTEM VALVES

1. Distinguish between fire and flushing hydrants by lead size.
 - a. Fire hydrants normally have a lead size of 6 inches or greater.
 - b. Record as a flushing hydrant where the lead size is less than 6 inches or if pressure is inadequate to provide fire flow.
2. Explain all reported adjustments in the schedule footnotes.
3. Report fire hydrants as within or outside the municipal boundaries.

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
Fire Hydrants						
Outside of Municipality	0	8			8	1
Within Municipality	38	33	35	(1)	35	2
Total Fire Hydrants	38	41	35	(1)	43	
Flushing Hydrants						
	0				0	3
Total Flushing Hydrants	0	0	0	0	0	

NR811.08(5) recommends that a schedule shall be adopted and followed for operating each system valve and hydrant at least once each two years. Please provide the number operated during the year.

Number of hydrants operated during year:	43
Number of distribution system valves end of year:	39
Number of distribution valves operated during year:	39

WATER OPERATING SECTION FOOTNOTES

Other Operating Revenues (Water) (Page W-04)

Please explain amounts in Account 474 in excess of \$2,000, including like items grouped. Please provide, for example, a short list or detail using other than terms such as "other revenues" "general" "miscellaneous" or repeating the account title.

Other water revenues is made up of:
ANTENNA RENTAL - \$1855
MISCELLANEOUS - \$198

Water Operation & Maintenance Expenses (Page W-05)

If Fuel or Power Purchased for Pumping (620), divided by the Total kWh Used for Pumping on the Source of Supply, Pumping and Purchased Water Statistics schedule, is less than 3 cents or greater than 12 cents, please explain.

Fuel or Power Purchased for Pumping (620) includes propane expense to operate a booster pump.

For values that represent an increase or a decrease when compared to the previous year of greater than 30%, but not less \$2,000, please explain.

Supplies & Expenses (640):
Supplies increased with new water system project.

Water Utility Plant in Service --Plant Financed by Utility or Municipality-- (Page W-08)

If Retirements for Accounts OTHER than 316, 343, 345, 346 or 348 exceed \$10,000, please explain.

Retirements for Distribution Reservoirs and Standpipes (342) include an old water tower, as part of the District's project to replace it's water tower.

If Adjustments for any account are nonzero, please explain.

Adjustments for Meters (346) was made to include meters added in prior year, but not reflected on the 2003 PSC report.

Water Utility Plant in Service --Plant Financed by Contributions-- (Page W-10)

If Additions for Accounts OTHER than 316, 343, 345, 346 and 348 exceed \$10,000, please explain.

Additions for Distribution Reservoirs and Standpipes (342) include a new water tower, as part of the District's project to replace its old water tower.

If Retirements for Accounts OTHER than 316, 343, 345, 346 or 348 exceed \$10,000, please explain.

Retirements for Distribution Reservoirs and Standpipes (342) include an old water tower, as part of the District's project to replace its old water tower.

If Adjustments for any account are nonzero, please explain.

An adjustment of \$58,000 between Transmission and Distribution Mains (343) and Services (345) was made to reclassify 2000' of 8" main added in 2002, per 01/04/05 PSC letter.

Water Mains (Page W-17)

If Added During Year column total is greater than zero, please explain financing following the criteria listed in the schedule headnote No. 5.

Financing of main additions consisted of contributed capital in the form of USDA RD loan funds and federal grant funds.

WATER OPERATING SECTION FOOTNOTES

Water Mains (Page W-17)

Explain all reported Adjustments.

Adjustments to water mains were made to adjust to actual counts provided by district operator.

Water Services (Page W-18)

Explain all reported Adjustments.

Adjustments to services counts were made based on actual counts provided by district operator.

If net additions are greater than zero, please explain financing by following criteria listed in schedule headnote No. 3.

All additions were financed by the District with loan and federal grant funding.

Meters (Page W-19)

Explain all reported adjustments.

Adjustments to meter counts were made to adjust to actual counts provided by district operator.

If Tested During Year column total is zero, please explain.

The District replaces meters every 10 years.

If Meters Retirements column total is greater than zero AND Retirements on both of the Plant in Service schedules (Account 346) are zero, please explain.

One 3" meter was replaced; hence, there is one 3" addition and one 3" retirement.

Explain program for replacing or testing meters 1" or smaller.

The District replaces meters every 10 years.

Ss. PSC 185.83(2) states "Station meters shall be maintained to ensure reasonable accuracy and shall have the accuracy checked at least once every 2 years." Are all station meters being tested every two years? Answer yes or no. If no, please explain.

The District does not have any station meters.

Hydrants and Distribution System Valves (Page W-20)

General footnotes

All fire hydrants were replaced in 2004 as part of the District's water system project.

Explain all reported Adjustments.

As part of the water system project, actual hydrant counts were updated and resulted in a decrease of one hydrant.
